

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 6/16/2015	(3) CONTACT/PHONE Jeff Werst, Design Division Manager (805) 781-4480	
(4) SUBJECT Submittal of bid opening report for the County Service Area (CSA) 23 / Atascadero Mutual Water Company (AMWC) / Garden Farms Community Water District (CWD) Emergency Intertie Project, to award the subject contract to CalPortland Construction, the lowest responsible bidder, in the amount of \$1,096,557; and adopt the attached resolution approving the CSA 23 / AMWC/ Garden Farms CWD Emergency Intertie Project Construction Change Order Policy. District 5.			
(5) RECOMMENDED ACTION In accordance with applicable State Law, it is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood and Water Conservation District: 1. Award the subject contract (No. 300536) to CalPortland Construction, the lowest responsible bidder, at \$1,096,557.00; and 2. Authorize a construction contingency amount up to \$109,655.00, for a total construction budget of \$1,206,212.00; and 3. Adopt the attached Resolution Approving the CSA 23 / AMWC / Garden Farms CWD Emergency Intertie Project Construction Change Order Policy.			
(6) FUNDING SOURCE(S) Flood Control and Water Conservation District Fund (1300000000)	(7) CURRENT YEAR FINANCIAL IMPACT \$2,048,000.00	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19601556		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 5/5/15, #2	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 5			

Reference: 15JUN16-C-20

County of San Luis Obispo



TO: Additions, subtractions and corrections to the Board of Supervisors Agenda

FROM: Public Works / Jeff Werst, Design Division Manager
Jeff Lee, Project Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 6/16/2015

SUBJECT: Submittal of bid opening report for the County Service Area (CSA) 23 / Atascadero Mutual Water Company (AMWC) / Garden Farms Community Water District (CWD) Emergency Intertie Project, to award the subject contract to CalPortland Construction, the lowest responsible bidder, in the amount of \$1,096,557; and adopt the attached resolution approving the CSA 23 / AMWC/ Garden Farms CWD Emergency Intertie Project Construction Change Order Policy. District 5.

RECOMMENDATION

In accordance with applicable State Law, it is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood and Water Conservation District:

1. Award the subject contract (No. 300536) to CalPortland Construction, the lowest responsible bidder, at \$1,096,557.00; and
2. Authorize a construction contingency amount up to \$109,655.00, for a total construction budget of \$1,206,212.00; and
3. Adopt the attached Resolution Approving the CSA 23 / AMWC / Garden Farms CWD Emergency Intertie Project Construction Change Order Policy.

DISCUSSION

In accordance with direction from your Board, bids for the subject contract were opened on Monday, June 1, 2015.

Seven bids were received. They are as follows:

CalPortland Construction	\$1,096,557.00
Specialty Construction, Inc.	1,274,401.00
Souza Construction, Inc.	1,300,000.00
V. Lopez Jr. & Sons	1,342,894.40
Whitaker Construction Group, Inc.	1,349,515.00
Spiess Construction Co., Inc.	1,553,380.00
Raminha Construction, Inc.	1,756,345.00
Engineer's Estimate	\$1,502,340.00

The low bid came in 37% below the Engineer's Estimate. Based on past experience and information provided as part of the bid documents, CalPortland Construction has exhibited the experience, financial and technical resources to complete the project. We have reviewed the submittal from CalPortland Construction and verified that they are the lowest responsive, responsible bidder.

Project Background Information

On January 17, 2014, Governor Edmund B. Brown Jr. proclaimed a State of Emergency as a result of the multi-year drought. On March 11, 2014, the Board of Supervisors proclaimed a State of Emergency for the County of San Luis Obispo. The intertie project was included in the San Luis Obispo County Regional Water Management Group (RWMG) Drought Grant application through the California Department of Water Resources (DWR) Integrated Regional Water Management (IRWM) Proposition 84 (Prop 84) Drought Grant program. The Intertie Project was allocated \$1,542,970 in DWR Grant Funds, with a required local match funding obtained in the form of a \$500,000 USDA Emergency Community Water Assistance Grant (ECWAG), for a total project value of \$2,048,000.

The Intertie Project will provide an emergency source of water to Santa Margarita in the event of drought or other emergency by constructing a 2.5 mile, 8-inch pipeline along El Camino Real to interconnect the Santa Margarita (CSA23), AMWC and Garden Farms CWD water systems. The connections will give CSA 23 access to additional water supply sources that can provide system redundancy and supplement or supply drinking water in the event of drought or emergency.

Change Order Policy

The resolution authorizes the Director of Public Works or his designee to approve individual Construction Contract Change Orders up to \$67,328, so long as any change or addition is deemed consistent with the proper completion of the Project under the sound discretion of the Director of Public Works or his designee, and so long as the change or addition does not exceed the maximum dollar amount allowed under Public Contracts Code Section 20142. Individual change orders of over \$67,328 require a written recommendation from the Public Works Department's Resident Engineer, a written recommendation from the Public Works Director or his designee and authorization from the Board of Supervisors.

OTHER AGENCY INVOLVEMENT/IMPACT

DWR and USDA are responsible for administering their respective grant programs and have been involved in project development to ensure compliance with grant requirements.

AMWC and Garden Farms CWD own and operate their respective water systems and have expressed written support of the Intertie Project. Staff is working on an exchange agreement with AMWC to define the conditions of the connection and terms for financial reimbursement of any water supplied. The agreement will be brought to your Board for approval later this year.

The stakeholders, along with the CSA 23 Advisory Group, are periodically updated on the project status and support implementation of the Intertie Project with Prop 84 and USDA grant funding.

FINANCIAL CONSIDERATIONS

The Intertie Project, Contract No. 300536; in the amount of \$2,048,000 is being funded in the FY 2014-2015 Flood Control and Water Conservation District budget. The funding source is \$1,542,970 of Proposition 84 Drought Grant, \$500,000 of ECWAG USDA Grant for matching funds and \$5,030 from fund reserves.

Please see Exhibit "A" for an estimated cost breakdown of the project.

RESULTS

The immediate result of the recommended action will be the construction of this project, which will improve the road for the safety of the motoring public. This, in turn, will result in a safer, more livable community.

File: Contract No. 300536

c: Resident Engineer
Construction Engineer
CalPortland Construction, Contractor

Reference: 15JUN16-C-20

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ATTACHMENTS

1. Vicinity Map
2. Exhibit A – Project Cost Estimates
3. Resolution Approving the CSA 23 / AMWC / Garden Farms CWD Emergency Intertie Project Construction Change Order Policy